

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2020/2021

**BAC2654 – PUBLIC SECTOR ACCOUNTING**

( All sections / Groups )

30 OCTOBER 2020

9.00 a.m - 12.00 p.m

( 3 Hours )

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**INSTRUCTIONS TO STUDENTS**

1. This question paper contains **FOUR** questions in **THREE** printed pages excluding the cover page.
2. Answer ALL questions in the Answer Booklet provided.

**QUESTION 1**

- (a) Identify **THREE** primary objectives of the public sector organization. Provide suitable examples to support your answer. (9 marks)
- (b) In order to revitalize better service delivery and improved accountability, Chartered Institute of Public Finance and Accountancy (CIPFA) and International Federation of Accountants (IFAC) jointly published the International Framework: Good Governance in the Public Sector. Attribute the concept of governance in public sector and describe **FOUR** principles of good governance in public sector. (8 marks)
- (c) Illustrate in a diagram that explains the relationship between accountability and stewardship in the Malaysian public sector. (8 marks)

**[TOTAL 25 MARKS]****QUESTION 2****Part A**

Information and data related to expected revenues based on objects of Malaysian Federal Government budget for the year 2018 are as follows:

Object Code	Object Purpose	RM (million)
90000	Revenue from Federal Territories	951
82000	Received from government agencies	1,504
79000	Other non-tax revenue	2,506
74000	Rentals	120
76100	Fines and penalties	1,223
72400	Service fees	1,510
71400	Registration fees for business	10,000
71100	Registration fees for vehicle	2,626
63200	Local goods and service tax	21,729
63100	Imported goods and service tax	17,271
62700	Levies	5,567
62300	Excise duties	12,408
62100	Export duties	995
61900	Other direct tax	8,929
62114	Crude petroleum export duties	900
62112	Processed palm oil export duties	52
61912	Real property gains tax	2,163
61912	Stamp duty	6,766
61102	Companies income tax	76,854
61101	Individual income tax	39,597

**Continued...**

**REQUIRED:**

Prepare a Revenue Budget based on standard object code for the year 2018.

(20 marks)

**Part B**

The Controlling Officers are expected to ensure that the expenditures are within the planned budget of the organizations. Any positive or negative deviations or variances are determined. Determine **FIVE** features of a good budgetary control system.

(5 marks)

**[TOTAL 25 MARKS]**

**QUESTION 3**

- (a) Compliance with the legal and accounting standard requirements is one of the characteristics of the public sector accounting in Malaysia. Identify **FIVE** legal requirements for financial reporting in public sector.

(10 marks)

- (b) Public sector accounting system has gone through a tremendous change over the years. For instance, in Malaysia, the public sector accounting and reporting landscape is undergoing a major transformation with the new adoption of accrual accounting. Identify **FIVE** objectives of financial accounting system.

(10 marks)

- (c) Revenue received from the public may include cash, stamps, cheques, legal tender and foreign currency. Illustrate the flow chart process for the accounting cash receipts.

(5 marks)

**[TOTAL 25 MARKS]**

**QUESTION 4**

KUALA LUMPUR (July 15): The emergency and trauma department (ETD) at Malaysian hospitals are understaffed, overcrowded, underfunded and do not have enough equipment to provide proper levels of care. The latest audit report by the National Audit Department also flagged the issue with funding for ETD, which it deemed “insufficient”. “The provision of financial allocation which is insufficient, may affect the ETD’s service efficiency,” the audit report released today stated.

Source: *The Edge Market*, 15 July 2020.

**Continued...**

**REQUIRED:**

- (a) Differentiate the **FOUR** types of audit certificate produced by Auditor General.  
(8 marks)
- (b) Identify the nature and scope of audit work of Auditor General as laid in Section 16 of Audit Act 1957.  
(12 marks)
- (c) Identify **FIVE** types of report produced by Auditor General.  
(5 marks)

**[TOTAL 25 MARKS]**

**END OF PAPER**